

| <p align="center">SUMMARY OF CHANGES TO DOD 7000.14-R, VOLUME 9, CHAPTER 3 “DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD”</p> <p align="center">Substantive revisions are denoted by a ★ preceding the section, paragraph, table or figure that includes the revision</p> | | |
|--|---|----------------|
| PARA | EXPLANATION OF CHANGE/REVISION | PURPOSE |
| 030102 | Adds “debit cards” to the list of travel card variations that may be used to meet specific needs of the DoD Components. | Amendment |
| 030302.A.2.b | Provides that the exemption from mandatory use of the travel charge card within the Department applies to those cards denied, canceled, or suspended by the card contractor or the cardholder’s agency/organization. The exemption will not apply when cardholders cancel their own accounts. | Amendment |
| 030502.B | Amends subparagraph 030502.B to state that foreign national employees are not eligible for a Government Travel Charge Card. | Amendment |
| 030503 | Adds provision stating that unless the traveler elects differently, the default is that the entire portion of the reimbursement related to transportation, lodging, and rental car charges on the travel charge card shall be forwarded to the travel charge card contractor. | Amendment |
| 030503.A | Reduces the standard credit limit on the travel charge card from \$5,000 to \$2,500 per billing cycle. | Amendment |
| 030503.B | Reduces the total credit limit on a restricted travel charge card from \$1,250 to \$1,000 per billing cycle. Reduces the Automated Teller Machine limit on a restricted travel charge card from \$200 to \$125 per billing cycle. | Amendment |
| 030604 | Establishes the provision for the travel charge card contractor to charge a fee for expedited delivery for individuals not currently in a travel status. | Amendment |

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| PARA | EXPLANATION OF CHANGE/REVISION | PURPOSE |
| 030605 | Deletes provision that the travel charge card contractor's recommendations are used by the commander or supervisor in determining whether a standard or restricted travel card will be issued to the traveler. In actual practice, the travel charge contractor decides which card to issue based on the information obtained as a result of the credit check. However, at the direction of the commander or supervisor, the Agency Program Coordinator (APC) can raise restricted card limits to accommodate mission requirements. | Amendment |
| 030705 | Establishes the requirement that APCs periodically shall review lists provided by the travel charge card contractor to identify cards for potential deactivation or cancellation at the supervisor's discretion. | Amendment |
| 030706 | Establishes the requirement that military members and civilian employees shall inprocess and outprocess through their organization's APC. | Amendment |
| 030803 | Reduces the time period after which a late fee may be assessed for individually billed accounts from 120 to 75 days past due. Clarifies that the travel charge card contractor may also charge cardholders for collection costs, court costs and attorneys fees. | Amendment |
| 030901.A | Clarifies the policy on placing travelers in mission-critical travel status. States that the cardholder's supervisor must approve notification by the APC to the card contractor that the cardholder is not to be identified as delinquent when mission related circumstances preclude the filing of interim vouchers. Also states that a cardholder's account must have been placed in mission critical status before the account was suspended or cancelled. | Clarification |
| 030901.C 030901.D 030901.E | Establishes the requirement that the APC shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. | Amendment |
| Annex 1 | Revises the Statement of Understanding for the | |

| <p align="center">SUMMARY OF CHANGES TO DOD 7000.14-R, VOLUME 9, CHAPTER 3 “DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD”</p> <p align="center">Substantive revisions are denoted by a ★ preceding the section, paragraph, table or figure that includes the revision</p> | | |
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| PARA | EXPLANATION OF CHANGE/REVISION | PURPOSE |
| | Government Travel Card program to reflect the revised automated teller machine limits contained in subparagraph 030503.A.1. | Amendment |
| Annex 2 | Revises the Sample 60-Day Delinquency Memorandum to include the provision of a copy to the cardholder per subparagraph 030901.C. | Amendment |
| Annex 3 | Revises the Sample 90-Day Delinquency Memorandum to include the provision of a copy to the cardholder per subparagraph 030901.D. | Amendment |
| Annex 4 | Revises the Sample 120-Day Delinquency Memorandum to include the provision of a copy to the cardholder per subparagraph 030901.E. Also revises the amount of the late fee delinquent cardholders may be charged from \$20 to \$29. | Amendment |

TABLE OF CONTENTS**DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD**

| | |
|-----------|--|
| 0301 | Policy and Purpose |
| 0302 | Responsibilities |
| ★0303 | Mandatory Use of the Travel Card |
| 0304 | Nonmandatory Use of the Travel Card |
| ★0305 | Program Structure and General Travel Card Information |
| ★0306 | Management Controls |
| ★0307 | Agency Program Coordinator (APC) Responsibilities |
| ★0308 | Traveler Reimbursement and Payment Responsibilities |
| ★0309 | Delinquency Management |
| 0310 | Reports Provided by Card Contractor |
| 0311 | Effective Date and Implementation |
| ★ Annex 1 | Statement of Understanding – Government Travel Charge Card Program |
| ★ Annex 2 | Sample 60 Day Delinquency Memorandum |
| ★ Annex 3 | Sample 90 Day Delinquency Memorandum |
| ★ Annex 4 | Sample 120 Day Delinquency Memorandum |

CHAPTER 3

DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD0301 POLICY AND PURPOSE

030101. General. “The Travel and Transportation Reform Act of 1998” (TTRA) (Public Law 105-264) stipulates that the government-sponsored, contractor-issued travel card (hereafter referred to as the “travel card”) shall be used by all U.S. Government personnel (civilian and military) to pay for costs incident to official business travel. Provisions governing this mandatory use requirement within the Department of Defense (DoD) are set forth in section 0303 of this chapter.

★ 030102. Purpose. This chapter sets forth the policy and procedures with respect to mandatory use of the travel card under the TTRA. It also establishes procedures for travel card issuance and use. Within the Department, the travel card program is intended to facilitate and standardize the use by DoD travelers of a safe, effective, convenient, commercially available method to pay for expenses incident to official travel, including local travel. The travel card is used to improve DoD cash management, reduce DoD and traveler administrative workloads, and facilitate better service to DoD travelers. In addition, because of the refund feature of the travel card program, the program results in cost savings for the Department. In addition to individual travel cards (also known as individually billed accounts or IBAs), there are travel card variations that include restricted cards, unit cards, debit cards, and centrally billed accounts (CBA). The DoD Components use these variations to meet specific needs.

030103. Applicability And Scope. These policies are applicable to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Inspector General of the DoD, the Defense Agencies, the DoD Field Activities, the Uniformed Services University of the Health Sciences and all DoD nonappropriated fund instrumentalities (hereafter referred to collectively as the “DoD Components”).

0302 RESPONSIBILITIES

030201. General Services Administration. The General Services Administration (GSA) awards and administers a master contract for the government travel card program, which is part of the “GSA SmartPay Program.” The GSA also is responsible for issuing government-wide policies and procedures for implementation of the TTRA.

030202. Under Secretary of Defense (Comptroller) (USD(C)). The USD(C) is responsible for establishing DoD-wide policies for the DoD travel card program. Included within this responsibility is the requirement to develop DoD-wide policy for the implementation of the requirements of the TTRA and monitoring implementation of the TTRA by the DoD Components.

030203. DoD Component Heads. The Head of each DoD Component is responsible for developing TTRA implementation strategy for use in that Component. The Component Head, along with the Project Manager-Defense Travel System, shall ensure that the appropriate systems modules are developed that enable DoD travel systems to operate consistent with the requirements of the TTRA and this chapter. Component Head responsibilities include, but are not limited to, submitting regulations developed to implement the TTRA for USD(C) approval; granting exemptions in accordance with subparagraphs 030303.A and 030303.B of this chapter, and notifying the Administrator of General Services regarding exemptions granted as indicated in subparagraph 030303.C, below.

030204. Director, Defense Finance and Accounting Service (DFAS). The Director, DFAS has been designated by the USD(C) as the program manager for the travel card. The DFAS also shall facilitate traveler determination of any late payment fees or charges that may be payable to a traveler under the TTRA as indicated in subparagraph 030801.C, below.

030205. Travel Card Program Management Office (TCPMO). The Travel Card Program Management Office (TCPMO), within the DFAS-Arlington Directorate for Finance (DFAS-ADF), manages the Department's Travel Card Program. The TCPMO has issued a "DoD Tailored Task Order for the Travel Card Program" to the card contractor and manages that task order on behalf of the Department by the Acquisition Support Organization, DFAS-Arlington (DFAS-HQ). The TCPMO works closely with the GSA, the DFAS-HQ, DoD Components, and the card contractor to manage the day-to-day operations of the DoD travel card program.

030206. Assistant Secretaries of the Military Departments (Financial Management and Comptroller) and Defense Agency Comptrollers. The Military Department Assistant Secretaries (Financial Management and Comptroller) and Defense Agency Comptrollers, or equivalents, shall ensure program management responsibilities are accomplished within their respective Component, and shall designate a Program Manager for their DoD Component. The Component Program Manager (CPM) shall be designated in writing and identified both to DFAS-ADF and the travel card contractor.

030207. DoD Component Program Managers (CPMs). The CPMs are responsible for establishing and managing the DoD travel card program in compliance with this volume. Each CPM also is responsible for establishing and maintaining the Component's organization structure ("hierarchy") and notifying DFAS-ADF and the card contractor of any changes in organization structure that affect the travel card program.

030208. Agency Program Coordinators (APC). The APCs are responsible to their respective DoD Component CPM for program execution and management. APCs are responsible for the day-to-day operations of the DoD travel card program. Each APC, in conjunction with the card contractor, shall maintain an up-to-date list of all current cardholders and accounts to include information such as account names, account numbers, addresses, and telephone numbers.

030209. Centrally Billed Account (CBA) APCs. The CBA APCs are those personnel designated by their activity commander or director as responsible for the management of CBAs used for the purchase of transportation services.

030210. Unit Travel Cardholders. Activity commanders or directors designate holders of unit travel cards and make them responsible for management of the CBA unit card.

030211. Travel Cardholders. Cardholders for IBAs are personnel to whom travel cards have been issued for use while performing official government travel. These personnel shall adhere to the procedures set forth in this Regulation and applicable DoD Component guidance. Individual cardholders are responsible for payment in full of the undisputed amounts due in the monthly billing statement from the card contractor.

0303 MANDATORY USE OF THE TRAVEL CARD

030301. Policy

A. Use by DoD Personnel. Unless otherwise exempted, all DoD personnel are required to use the government-sponsored, contractor-issued travel charge card for all expenses arising from official government travel. Although a traveler may be required to use the government travel charge card, failure to use the government travel charge card shall not be a basis for refusing to reimburse the traveler for otherwise appropriate charges. Such failure, however, may subject the traveler to appropriate administrative or disciplinary action.

B. Travel Orders. All travel orders shall:

1. Include the following statement notifying travelers of the requirements of the TTRA. “The Travel and Transportation Reform Act of 1998” stipulates that the government-sponsored, contractor-issued travel card shall be used by all U.S. Government personnel (civilian and military) to pay for costs incident to official business travel unless specifically exempted by authority of the Administrator of General Services or the head of the agency.”

2. Indicate whether the traveler is (or is not) a government travel charge card holder.

3. If the traveler is a government travel charge card holder, indicate whether the traveler is exempt from the mandatory use provision of the TTRA. (This statement also authorizes alternative payment methods.)

4. Indicate that government travel charge card holders shall obtain cash, as authorized, through automated teller machines (ATMs), rather than obtaining cash advances from a DoD disbursing officer.

030302. Government-Wide and DoD-Wide ExemptionsA. Classes of Personnel Exempted

1. The GSA has exempted the following classes of personnel from mandatory use of the travel charge card:

a. Employees who have an application pending for the travel charge card.

b. Individuals traveling on invitational travel orders.

c. New appointees.

2. In addition to the government-wide GSA exemptions, the Department has exempted the following classes of personnel from mandatory use of the card throughout the Department:

a. Members of the Reserve Officers Training Corps and military personnel undergoing initial entry or initial skill training prior to reporting to their first permanent duty station.

★ b. Military members and DoD civilian personnel who are denied travel charge cards or whose travel charge cards have been canceled or suspended by the card contractor or by the cardholder's agency/organization for financial irresponsibility or for other specific reasons. This exemption does not apply to military members and DoD civilian personnel who are denied travel charge cards because they do not accept the terms and conditions of the cardholder agreement and, therefore, refuse to sign the account application form. The exemption also does not apply when military members and DoD civilian personnel cancel their own cards, for whatever reason, to include disagreement with existing or revised terms and conditions of the cardholder agreement.

c. Hospital patients.

d. Prisoners.

e. Such military members or DoD civilian personnel as approved by the Head of a DoD Component during: (1) a period of war, (2) a national emergency declared by the President or the Congress, or (3) mobilization, deployment, or contingency operations.

f. Such military members or DoD civilian personnel traveling to or in a foreign country where the political, financial, or communications infrastructure does not support the use of a travel charge card.

g. Such military members or DoD civilian personnel whose use of the travel charge card, due to operational, security, or other requirements of a mission, would pose a threat to national security, endanger the life or physical safety of themselves or others, or would compromise a law enforcement activity.

h. Direct and indirect hire foreign nationals.

i. Individuals employed or appointed on a temporary or intermittent basis upon a determination by the individual's supervisor or other appropriate official that the duration of the employment or appointment or other circumstances pertaining to such employment or appointment does not justify issuance of a travel charge card to such individual.

j. Such military members or DoD civilian personnel as are determined to be infrequent travelers. An infrequent traveler is one who travels no more than two times a year.

B. Classes of Expenses Exempted

1. The GSA has exempted the following classes of expenses from the mandatory use of the travel charge card:

a. Those incurred at a vendor that does not accept the government-sponsored, contractor-issued travel charge card.

b. Laundry/dry cleaning.

c. Parking.

d. Local transportation system fares.

e. Taxi fares.

f. Tips.

g. Meal charges when the use of the card is impractical (e.g., group meals).

h. Telephone calls (when a government calling card is available for use in accordance with agency policy).

i. Relocation allowances for DoD civilian personnel prescribed in Chapter 302 of the Federal Travel Regulation, except en route travel and househunting trip expenses.

2. In addition to the GSA government-wide exemptions, the following classes of expenses are exempt from the mandatory use of the travel charge card throughout the Department:

- a. All expenses covered by the “meals and incidentals” portion of the per diem allowance.
- b. All local and long distance telephone calls.
- c. All expenses incurred during permanent duty travel and all expenses while on a househunting trip.

030303. Exemptions Made by the Heads of DoD Components

A. Class Exemptions. The Heads of DoD Components may exempt additional types or classes of expenses or types or classes of personnel from the mandatory use requirements of the TTRA. An exemption covering a type or class of expenses or type or class of personnel shall be approved by the USD(C) prior to implementation.

B. Individual and Specific Expense Exemptions. The Heads of DoD Components may exempt any individual person or specific expense (i.e., a specific occurrence of an expense relating to a particular traveler or a single episode of travel) from the mandatory use requirements of the TTRA. These exemptions do not require approval by the USD(C).

C. Notifications of Exemptions. The Head of a DoD Component (or designee) who grants an exemption from the requirements of the TTRA shall, in accordance with statutory requirements and regulations promulgated by the Administrator for General Services, prepare and submit the following notifications:

1. Not later than 30 days after granting an exemption for a type or class of individual or a type or class of expense covered by subparagraph 030303.A, above, notify the Administrator of General Services in writing of the granting of such exemption.

2. Not later than 30 days after granting an exemption to any individual person or specific expense covered by subparagraph 030303.B, above, notify the Administrator of General Services in writing of the granting of such an exemption.

3. Notifications under subparagraphs 30303.C.1 and 30303.C.2, above, shall state the reason for the exemption and be submitted directly to the Administrator of General Services, Attention: MTT, 1800 F Street, NW, Washington, D.C. 20405. A copy of each notification shall be provided to the DFAS, Attention: DFAS-ADF, 1931 Jefferson Davis Highway, Arlington, VA 22240-5291.

030304. Payment Methods Authorized When Exempted. When an exemption is granted from the mandatory use of the travel charge card, one or a combination of the following may be authorized for payment of travel expenses. City pair contractors (airlines that provide heavily discounted air fares to the government for official travelers), however, are not required to accept payments under subparagraphs 030304.A or B, below:

- A. Personal funds, including cash or a personal charge card.
- B. Travel advances, or Government Transportation Requests.

0304 NON-MANDATORY USE OF THE TRAVEL CARD

030401. Voluntary Card Use. An individual granted an exemption from mandatory use of the travel card may continue to use the travel card on a voluntary basis.

030402. Local Travel. The travel card can be used for local travel expenses (i.e., parking and tolls), but such use is not required under the TTRA.

0305 PROGRAM STRUCTURE AND GENERAL TRAVEL CARD INFORMATION

030501. General Information

A. Card Design. In accordance with the GSA master contract, government travel cards may be issued either in the regular card design (i.e., the U.S. Capitol dome with an airplane and the words: "For Official Government Travel Only,") the quasi-generic card, or generic card. The quasi-generic and generic cards do not have the special art work or statement identifying them as "government" cards. When security is an issue, a generic or quasi-generic travel card may be issued upon written request from the APC, through the CPM, to the card contractor.

B. The Program. The DoD travel card program consists of three products: IBAs; CBAs; and travelers checks.

C. Internet Based Electronic Travel Card Management System. The GSA master contract stipulates that the card contractors will offer an Internet based electronic travel card management system. These systems allow access via personal computers (PCs) in order to process and maintain DoD travel card accounts, display transaction and account data, and provide designated reporting information. The DoD Components shall determine whether individual cardholders will have system access for their accounts and will notify the TCPMO and contractor of that decision. DoD Component activities shall use the contractor's Internet-based electronic travel card management system to the maximum extent possible. CPMs shall inform the card contractor of any organizations (e.g., major commands, major subordinate commands, bases or installations) that lack connectivity to on-line services. The card contractor shall issue electronic program management reports as required. Paper reports are rendered on an exception basis and require CPM/TCPMO approval.

D. Automated Teller Machine (ATM) Access. Travelers may use the travel card at a specified network of ATMs to obtain cash needed to pay for “out-of-pocket” travel-related expenses. The card contractor will assign a personal identification number (PIN) to each cardholder, together with card issuance to permit ATM access. ATM advances shall not be obtained earlier than 3 working days before scheduled travel. The card contractor will charge the cardholder a transaction fee for ATM use. This charge, which appears on the cardholder’s billing statement, is a reimbursable expense. In addition, some banks charge a service fee for ATM access. That fee also is reimbursable.

E. Travelers Checks

1. Cardholder Placed Order Via the Internet. If otherwise permitted, travelers checks may be ordered by the cardholder in predetermined amounts via the contractor’s Internet based electronic travel card management system. The contractor shall charge a user fee for traveler’s checks purchases and these charges will appear on the cardholder’s billing statement. These fees are reimbursable expenses provided the cardholder requests reimbursement on the travel voucher. The issuance of travelers checks does not preclude the use of the ATM privilege, but does reduce the total amount available to the cardholder during that billing cycle.

2. Use in Lieu of Cash Advance. The issuance of travelers checks by a DoD Component is optional. Where used, travelers checks issued by an agency shall be treated as a cash advance. The APC, acting as an agent for the Department, shall follow the instructions found in Volume 5, Chapter 3, of this Regulation.

F. Merchant Category Codes (MCCs). These are codes established by the card network to describe merchant type. The Department blocks some MCCs to hinder inappropriate card use. Address issues concerning MCCs to the TCPMO.

G. Refunds. Based on net charge volume, the GSA contract stipulates that the card contractor shall offer refunds to using government agencies. The formula used to compute these refunds varies between IBAs and CBAs, and includes a factor for the promptness of payments. Refunds are adjusted for amounts written off due to delinquency. The GSA deducts an industrial funding fee from the refunds, with the balance sent by the contractor via electronic funds transfer to the applicable DoD Component. The refunds are computed and distributed each quarter. Receiving organizations shall ensure that the refunds are properly recorded.

030502. Eligibility

A. DoD Personnel. Unless otherwise exempted, all DoD personnel (military and civilian) who travel in the performance of their duties shall obtain and use the DoD travel card. DoD personnel shall be issued only one travel card. If a DoD employee also holds Reserve Component membership, the travel card shall be issued through the organization of his or her civilian employment. When requested, DoD civilian employees who also are active members of a Reserve Component are required to provide their full-time federal employer a

copy of their inactive duty training schedule and active duty for training or annual training military orders to support their use of the travel card for military duty.

★ B. Foreign Nationals. Foreign national employees are not authorized to use government travel cards.

C. Nonappropriated Fund Instrumentality (NAFI) Employees. NAFI employees of the Department are authorized to use travel cards.

D. Recruiting Personnel. Military personnel assigned to recruiting duties are authorized to use travel cards for official reimbursable expenses in their local areas.

E. DoD Contractors. DoD contractors are not authorized to use government travel cards.

★ 030503. Individually Billed Accounts (IBA). An IBA is an account where a travel card is issued to an individual Service member or DoD employee. The cardholder receives the billing statement directly from the contractor at the address provided on the card application. It is his or her responsibility to notify the APC and the card contractor of changes in contact information such as a new address. Cardholders are responsible for payment in full of the amount stated on the monthly billing statement. To assist the traveler in fulfilling the payment responsibility, Block 1 of the DD Form 1351-2 has been modified to permit transportation, lodging and rental car charges on the travel card to be forwarded to the travel charge card contractor with the remainder of any entitlement to be sent to the traveler. The traveler may elect, in Block 1 of the DD Form 1351-2, either to specify an exact amount to be forwarded to the travel charge card contractor or designate to receive the entire reimbursement. If the traveler does not either: (A) specify an exact amount to be forwarded to the travel charge card contractor, or (B) elect to have the entire reimbursement paid to the traveler, then the default is that the entire portion of the reimbursement related to transportation, lodging and rental car on the travel charge card shall be forwarded to the travel charge card contractor. The DoD Components shall encourage cardholders to use the “split disbursement payment process” for travel reimbursements. (See paragraph 080102 of this volume.) IBAs contain a unique numeric prefix that identifies the account as an official government travel card. This prefix identifies the account as eligible for government travel rates, including city pair rates, and tax exemption when permitted under state law. IBAs are issued as specified below:

★ A. Standard Travel Card. These are issued to individuals by the card contractor or as directed by the commander or supervisor. In no case, however, may a standard travel card be issued to an individual who refuses a credit check (see paragraph 030605, below). The standard credit limit on these cards is no lower than \$2,500 per billing cycle. The APC (or CPM or TCPMO) has the authority to increase the overall credit limit on the card beyond \$2,500 to accommodate mission requirements.

★ 1. The ATM limit is no lower than \$250 per billing cycle. APCs may raise the ATM limit to \$4,000 per billing cycle and CPMs may raise the ATM limit to \$5,000 per

billing cycle. ATM limits over \$5,000 per billing cycle require TCPMO approval. DoD Components, however, may implement lower ATM limits.

2. The retail limit (purchases for other than lodging, airfare, passenger rail, or bus fare, car rental and meals) is \$250 per billing cycle. The APC may raise the retail limit to \$500 per billing cycle on a case-by-case basis and the CPM may raise the retail limit to \$1,000 per billing cycle on a case-by-case basis.

3. The effect of increases to ATM and retail limits does not automatically change the total credit limit on the card.

★ B. Restricted Travel Card. These cards are issued to cardholders by the card contractor, when requested by the applicant, or as directed by the commander or supervisor. A restricted travel card is the only individual card that is issued to individuals who refuse credit checks. (See paragraph 030605, below.) Restricted travel cards are the same in appearance as standard cards; however, they are inactive at issuance. At the request of the cardholder, the APC may activate the restricted card for a specific travel event. The total credit limit on a restricted card is no lower than \$1,000 per billing cycle. This credit limit includes an ATM limit no lower than \$125 and a \$50 retail limit, with the remaining \$825 available to charge meals, lodging, rental cars and miscellaneous expenses. APCs are authorized to raise these limits based on travel requirements.

030504. Centrally Billed Accounts

A. Cards for CBA accounts are issued to DoD activities that make travel arrangements and those activities guarantee payment. CBAs have no spending ceiling and payments are subject to the "Prompt Payment Act of 1982," as amended. These cards contain the unique prefix "4486 1600" that identifies the account as a CBA for official federal government travel. This prefix identifies the account as eligible for government travel rates, including city pair rates, and tax exemption. The APC forwards any request to establish a CBA to the cognizant CPM. CBAs are issued for the following purposes.

1. Transportation Travel Cards. Transportation travel cards are issued to government travel offices for use in purchasing transportation, including airline tickets, bus tickets, and rail tickets. These purchases are made through a commercial travel office (CTO). The CTO acts as an agent for the government travel office. The government travel office receives a monthly invoice from the travel card contractor. The CTO is responsible to reconcile the transportation purchases appearing on the invoice and forward the invoice to the government transportation office. The transportation office shall forward certified invoices to the designated disbursing office in a timely manner so that payments on the travel charge card

account are made promptly within prescribed deadlines to avoid “Prompt Payment Act” interest penalties. Under the Defense Travel System, the Transportation Officer is responsible to reconcile the transportation charges appearing on the invoice and to certify the invoices for payment.

2. Unit Travel Cards. DoD Components may use unit travel cards only when it is cost effective and in the best interest of the mission. Categories of travelers whose travel may be charged to unit travel cards include, but are not limited to, new recruits and employees who do not yet have travel cards, prisoners, and DoD group travelers. Components should limit the issuance of unit travel cards wherever possible and maximize the use of individual travel cards. The travel card contractor must receive written approval of the cognizant CPM before it will issue a unit travel card. Upon receipt of each invoice, the designated unit cardholder is responsible for reconciling the travel card charges and promptly providing a validated copy of the statement to the unit account coordinator. The unit account coordinator is responsible for reconciling the charges appearing on the summary account monthly statement which is a composite (rollup) of all charges from all cards assigned to that organization. The unit account coordinator also is responsible for filing any disputes necessary with the travel card contractor. Once the billing statement is validated, the unit account coordinator shall obtain fund certification from the cognizant resource management office before forwarding certified billing statements, with any required supporting documentation, to the designated disbursing office. Should the costs exceed published travel and per diem rates, the authorizing official shall approve that higher amount using an authorization memorandum.

B. Any disputed charge and any discrepancy between a receipt and other supporting documentation and the travel charge card statement of account, identified in the reconciliation performed as required in subparagraph 030504.A.1 above, shall be resolved in the manner prescribed in the GSA government-wide travel charge card contract.

C. Retain records of each travel charge card transaction (including records on associated contracts, reports, accounts, and invoices) in accordance with the requirements contained in Volume 5, Chapter 21, of this Regulation.

0306 MANAGEMENT CONTROLS

030601. Training. The TCPMO and the DoD CPMs shall ensure that travel card program training materials are distributed throughout the Department. Training materials include specific manuals, videos, and contractor products tailored for the Department. DoD Components shall advise new cardholders on proper use of the card and ensure that APCs and current travel cardholders are informed of policy and procedure changes to the travel card program. Training materials may be provided in hard copy and/or electronic media.

030602. Travel Card Applications. Application forms are available via the card contractor’s Internet based electronic travel card management system or from the APC. Applications contain the following data: applicant’s name, social security number (SSN), current address, work and home phone numbers, the applicant’s authorization for a contractor performed credit check, the applicant’s signature and approval by the supervisor or commander.

At the time that an applicant receives a travel card application, the APC also shall give the applicant appropriate program information and obtain the applicants signature on a “DoD Statement of Understanding for Travel Cardholders.” (See Annex 1.)

030603. Processing Routine Applications. The APC shall inform the card contractor to establish a new individually billed account upon receipt of a properly completed application. The applicant, the applicant’s supervisor, and the APC shall sign the application. The APC shall complete the billing hierarchy string on the application before submitting that application to the card contractor. Within 3 days of receipt, the APC shall fax the completed application to the card contractor.

★ 030604. Processing Emergency Applications. Emergency applications are defined as applications for personnel who are scheduled to travel within 5 working days. The APC may call the contractor’s government card service unit (GCSU) to request an emergency travel card. The APC shall fax the application to the card contractor as soon as possible. The APC shall annotate “Emergency Application” prominently on the application and verify with the GCSU that the application has been received. The contractor shall process and forward emergency cards within 24 hours to the individual cardholder’s stated address, the temporary duty location, or otherwise as directed by the APC. The card contractor will include a fee on the cardholder’s billing statement for expedited delivery if he or she is not currently in a travel status. When claimed on the DD Form 1351-2 (“Travel Voucher”), the Department will reimburse this charge to the traveler. If, for any reason the scheduled travel does not occur, cardholders may claim reimbursement on an SF Form 1164, (“Claim for Reimbursement for Expenditures on Official Business”). The fee shall not apply to expedited delivery of emergency replacements of cards lost, stolen, or otherwise unusable by travelers who are in a travel status.

★ 030605. Credit Checks. The card contractor performs a credit check on each new card applicant. The applicant has the option to decline the conduct of a credit check. In that case, only a restricted card shall be issued. If the applicant agrees to a credit check, the fact that a credit check has been performed will appear on the credit bureau’s record for the applicant and will be evident to subsequent credit grantors who request a credit check. This process is similar to instances when the applicant personally applies for credit, except that the only information evident to subsequent credit grantors that request a credit check is that an inquiry was made. From the information obtained as a result of the credit check, the card contractor shall issue either a standard travel card or a restricted card. In no case shall the card contractor provide credit history results to the APC.

030606. Issuance of Cards by Contractor. Upon receipt of a properly completed application, the card contractor shall issue the travel card and cardholder agreement within 3 business days. The contractor shall mail the card to the individual cardholder’s stated address, temporary duty location, or otherwise as directed by the APC. The card contractor shall send PIN numbers associated with the ATM option separately from the card within 3 business days after receipt of the completed application. The card contractor shall allow the cardholder the later option to personalize his or her PIN.

030607. Misuse. Commanders or supervisors shall not tolerate misuse of the DoD travel card. Cardholders who misuse their DoD travel cards shall be subject to appropriate

administrative or disciplinary action. While these cards shall be used only for reimbursable expenses associated with official travel, the following (while not reimbursable) are considered to be related to official travel. Therefore, the travel card may be used for the following purposes.

A. Incidental Expenses. The cardholder, while in a travel status, may use the card for nonreimbursable incidental travel expenses such as rental movies, personal telephone calls, exercise fees, and beverages, when these charges are part of a room billing or meal and are reasonable.

B. Expenses Incurred During Leave in Conjunction with TDY. The travel card also may be used for personal lodging or car rental charges, incurred in conjunction with otherwise authorized official travel expenses, when such charges are an integral part of the billing for the period spent at the temporary duty location while on official travel (e.g., when a traveler spends a weekend or is authorized leave at a temporary duty location before or after TDY, and a room or car rental is continued into TDY, a weekend, or a period of authorized leave).

C. Payments. The traveler shall pay for incidental nonreimbursable personal expenses covered by subparagraphs 030607.A and B, above, as part of the normal billing process.

0307 APC RESPONSIBILITIES

030701. Program Management Information

A. General. As the local manager of the travel card program, the APC shall maintain all pertinent records for cardholders while they are in that APC's hierarchy. When the cardholder transfers, the gaining APC shall establish needed records. For individual applicants, these records shall include: a copy of the application; a copy of the signed DoD Statement of Understanding (see Appendix A); and all other relevant correspondence pertaining to the cardholder (e.g., delinquency notification and requests for changes in spending limits). Due to the sensitivity of the data contained in these files, such data shall be maintained in a secure container or area that precludes unauthorized access.

B. Organization Hierarchy Structure. APCs are responsible for maintaining their organizational hierarchy structure. This hierarchy is the link that identifies cardholder accounts to correct organizations within a parent Component. The APC is responsible for tracking arriving and departing cardholders to maintain the validity of the organization hierarchy and the contractor reporting information.

030702. Account Transfers. APCs shall follow the procedures published in the card contractor's training guides for using the electronic system to transfer cardholders.

030703. Termination. The APC shall terminate a travel card upon a cardholder's dismissal, retirement, or separation from the Department. Also, if applicable, the APC shall

terminate the cardholder's use of the card contractor's Internet-based electronic travel card management system.

030704. Delinquencies. The APC shall monitor delinquencies and take appropriate actions as defined in section 0309, below.

★ 030705. Identification of Infrequent Travelers. On a periodic basis, the APC shall review any lists provided or made available by the card contractor to identify cards for potential deactivation or cancellation at the supervisor's discretion. Infrequent travelers are defined in subparagraph 030302.A.2.j, above. Those individuals determined no longer to need a travel charge card shall have their accounts permanently closed and others, who do not travel frequently, shall have their cards deactivated. If individuals whose cards are deactivated subsequently enter a travel status, the APC shall take action to activate those cards for the period of travel.

★ 030706. Inprocessing and Outprocessing. CPMs shall ensure their DoD Component's personnel transfer and separation procedures require personnel to inprocess and outprocess through their unit level APCs. Address travel card issues as part of the installation/organization inprocessing and outprocessing procedures for both military and civilian personnel.

0308 TRAVELER REIMBURSEMENT AND PAYMENT RESPONSIBILITIES

030801. Timely Reimbursement of Travel Expenses

A. Reimbursement Within 30 Days. Agencies shall reimburse DoD personnel for authorized travel expenses no later than 30 days after submission of a proper travel claim to the office where the claim is to be approved. Therefore, a satisfactory recordkeeping system shall be maintained by the approving official to track submission and receipt of travel claims. For example, travel claims submitted by mail could be annotated with the date of receipt in the office where the claim is to be approved. Travel claims submitted electronically to the approving official could be considered to have been received on the submission date indicated on the e-mail, or on the next business day if submitted after normal working hours. For fully automated travel applications, such as the Defense Travel System, consider the travel claim to be received when the traveler releases the claim to the travel system.

B. Travel Claim Errors

1. If a travel claim contains an omission or an error, the responsible official shall notify the claimant about the error in a timely manner. The notification shall include the reason(s) why the travel claim is not proper. Commence the 30-day period for the government to make payment before application of a late payment fee once a correct travel claim is received. This procedure is applicable to all travel claims submitted prior to May 1, 2002.

2. Beginning with travel claims submitted on or after May 1, 2002, a travel claim with an omission or an error shall be returned to the traveler within a 7-day period. The notification shall include the reason(s) why the travel claim is not proper. Once a corrected

travel claim is received, the 30-day period commences under which the government must make payment or pay a late fee.

C. Late Payment Fees and Charges. Should payment of the travel settlement take longer than 30 days following receipt by the office where the claim is to be approved, that office may be required to pay a late payment fee. This fee is payable, using the Prompt Payment Act interest rate, beginning on the 31st day after the submission of a proper travel claim and ending on the date that the payment is disbursed by the government. The only exception to the requirement for this payment is that no payments are required for amounts less than \$1.00. Interest payment funding instructions can be found in Volume 10, Chapter 7, of this Regulation. In addition, the traveler shall be paid an amount equal to any late payment charge that the card contractor would have been able to charge had the traveler not paid the bill. The Internal Revenue Service has determined that the late payment fee is reportable as interest and that the payment equal to the late payment charge is to be reported as additional wages.

D. Systems Modifications. As necessary, DoD Component travel systems shall be modified to capture the date of submission of a proper travel claim and compute entitlement for late payment fees due as a result of untimely settlement.

E. Claims for Late Payment Fees. Pending implementation of system changes necessary to track late payments and automatically create and compute the entitlement resulting from such late payment, travelers who believe that late payment fees are due, shall submit supplemental travel claims for late payment fees. Each such supplemental travel claim shall be submitted through the office where the claim is to be approved. That office shall annotate the claim with the date that the original travel claim was received. Once DoD travel systems are modified to implement the automated late payment fee computation and entitlement requirement, the traveler no longer will be required to file a supplemental travel claim for late payment fees.

030802. Responsibilities of Travelers for Payments

A. Monthly Statements. Cardholders are responsible for payment in full of the amount stated on the monthly billing statement. To assist the traveler in fulfilling the payment responsibility, cardholders are encouraged to use the “split disbursement payment process” for travel reimbursement. (See paragraph 080102 of this volume.)

B. Disputed Charges. In the event that the billed amount contains charges that are disputed by the traveler, he or she shall obtain a dispute form from the APC or use the dispute form included with monthly account statements sent to each cardholder. Send that completed form to the travel card contractor using instructions provided by the APC.

★ 030803. Fees Chargeable by the Contractor. The card contractor may charge a fee when a check submitted in payment of a bill is dishonored. In addition, a late fee per billing cycle may be assessed for individually billed accounts that are 75 days past the closing date of the account statement on which the charges first appeared. The return check fee for dishonored checks and the late fee are individual cardholder expenses that the government will not

reimburse to the traveler. Fees associated with salary offset are contained in Volume 8, paragraph 080602, of this Regulation. If the card contractor refers an account for collection, the card contractor may charge the cardholder collection costs, court costs, and allocated costs for attorneys, not to exceed 25 percent of the account balance. The card contractor also may initiate garnishment proceedings through the judicial system against travel cardholders for accounts over 120 days delinquent and also may notify credit bureaus of those delinquencies.

030804. Salary Offset. Under regulations promulgated in Volumes 7A and 8 of this Regulation, and upon written request of the card contractor, the Department may, on behalf of the government travel charge card contractor, collect by deduction from the amount of pay owed to the cardholder any funds the cardholder owes to the government travel charge card contractor as a result of delinquencies not disputed by the cardholder on the government travel charge card. Specifics on the procedures are contained in Volume 7A of this Regulation for military members and Volume 8 of this Regulation for civilian employees.

0309 DELINQUENCY MANAGEMENT

030901. The GSA master contract specifies time frames when the contractor must notify the APC of impending suspension or cancellation of delinquent cardholder card accounts.

★ A. Mission-Critical Travel. When mission-critical travel precludes prompt payment of travel charge card bills, the APC is authorized, with the approval of the cardholder's supervisor, to so advise the card contractor and ensure that the cardholder's account is not suspended or cancelled. Mission-critical travel is defined as travel performed by DoD personnel under competent orders and performing duties that, through no fault of their own, prevents the traveler from filing travel vouchers and paying the travel card bills. This category is determined by the CPM or local APC. An individual charge card account must have been placed in mission critical status before the account was suspended. Should there be outstanding bills, those bills shall be settled within 45 days of removal from this status.

B. Long-term Travel. While in a long-term travel status, the traveler shall file interim vouchers every 30 days, with split disbursement as the preferred means of settlement. Organizations should assist travelers by providing blank DD Forms 1351-2 prior to departure and upon arrival at the temporary duty location.

★ C. Pre-suspension Notification for Accounts 55 Days Past Closing Date of Account Statement on Which Charge First Appear. At 55 days past the closing date of the account statement on which the charges first appear, the contractor shall issue pre-suspension reports to the APC. Upon receipt, the APC shall notify the cardholder and the cardholder's supervisor, by e-mail where possible, that the account will be suspended in 5 days if the contractor does not receive full payment of all undisputed amounts. APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall request that the supervisor notify the APC, within 5 days, of any reason that the account should not be suspended (e.g., mission-critical travel). If the APC is given sufficient information by the cardholder's supervisor to justify keeping the account active, then the APC immediately

shall advise the card contractor to keep the account in an active status. The APC shall keep a record of the supervisor's notification and related correspondence.

★ D. Suspension of Accounts 60 Days Past Closing Date of Account Statement on Which Charge First Appear. At 60 days past the closing date of the account statement on which the charges first appear, the APC shall notify the cardholder, the cardholder's supervisor and, via e-mail when possible, that the cardholder's account has been suspended for nonpayment. The card contractor shall block charge card privileges, which include ATM access and all charge capability until it receives payment in full. If no action is taken toward this debt, the account shall be cancelled. APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall keep a record of each notification. (See Annex 2.)

★ E. 90-Day Delinquency Notification to Supervisors. At 90 days past the closing date of the account statement on which the charges first appear, the APC shall notify the cardholder, the cardholder's supervisor, and the second level supervisor, via e-mail when possible, that the cardholder's account is still delinquent. The APC shall keep a record of each notification. (See Annex 3.)

★ F. Cancellation of Accounts 120 Days Past Closing Date of Account Statement on Which Charge First Appear. At 120 days past the closing date of the account statement on which the charges first appear, the card contractor shall issue cancellation reports to the APC. The APC shall notify the cardholder, the cardholder's supervisor and the cardholder's chain of command, by e-mail if possible, that the cardholder's account shall be cancelled at 126 days past the closing date of the account statement on which the charges first appear if the contractor does not receive full payment of the undisputed amounts. APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall keep a record of each notification. If no action is taken toward this debt, collection action shall be taken by the travel card contractor beginning on the 126th day past the closing date of the account statement on which the charges first appear. Once cancelled, an account may be reinstated only when: (1) the account is paid in full and (2) the commander or director requests the card contractor in writing, to reinstate the account. The contractor reserves the right to deny the reinstatement request. (See Annex 4.)

G. Cancellation of Accounts Suspended Two Times. Cancellation of an account also shall occur if the account has been suspended 2 times during a 12-month period for nonpayment of undisputed principal amounts and again becomes past due. Accounts that have been suspended twice during a 12-month period shall be considered, for cancellation purposes, past due for the third time at 45 days from the closing date on the statement of account in which the charge appeared.

0310 REPORTS PROVIDED BY CARD CONTRACTOR

031001. General. Reports are considered the primary program tools and shall be available via the contractor's Internet-based electronic travel card management system. Due to the sensitive nature of all travel card reports, safeguard all information contained therein. Mandatory reports are outlined in paragraphs 030902 and 030903, below.

031002. Reports Provided by Card Contractor for Each CPM

A. Agency Summary Report. This is a summary report, by Component, for all travel-related expenses, transportation charges, ATM usage, and travelers checks transactions. This report segregates all charges and credits for each individually or centrally billed accounts.

B. Statistical Summary Report. This report lists, by Component, on a current and fiscal year basis, the dollar volume, ATM volume, travelers check volume, number of transactions, active cardholders, total accounts, new accounts, miscellaneous fees and identification of fees.

C. Aging Analysis. This report identifies summary-level delinquency information by Component hierarchy.

031003. Reports Provided by Card Contractor for Each APC

A. Cardholder Account Listing. This report identifies cardholder names, addresses, telephone numbers, SSNs, and account numbers assigned under the APC organization.

B. Account Activity Report. This report identifies travel cardholder activity and ATM usage during the recent billing cycle.

C. Delinquency Report. This report identifies delinquent cardholders and ages delinquencies by time frame (i.e., 30, 60, 90, 120, or more days).

D. Presuspension/Precancellation Report. This report lists accounts eligible for suspension or cancellation and identifies account names, account numbers, status, balances past due, and the number of days that each account is past due.

E. Suspension/Cancellation Report. This report lists accounts that have been suspended or canceled and identifies account names, account numbers, status (suspended or canceled), date of status, balances past due, and the number of days that each account is past due.

F. Renewal Report. This report identifies those cardholders whose cards are coming due for renewal. APCs shall review the information on this report monthly and take appropriate action.

0311 EFFECTIVE DATE AND IMPLEMENTATION. The policies addressed in this chapter are effective immediately. Policies addressed in section 0303, however, will apply only to travel beginning after April 30, 2000, and any labor relations obligation under Title 5, United States Code, Chapter 71 shall be fulfilled prior to implementation of the policy with respect to employees represented by unions.